



USAID
FROM THE AMERICAN PEOPLE

NEXTTT
Nigeria Expanded Trade and Transport

NIGERIA EXPANDED TRADE AND TRANSPORT PROGRAM (NEXTTT)

QUARTERLY PROGRESS REPORT#2

JANUARY-MARCH 2013

SUBMITTED APRIL 2013

Prepared for USAID Nigeria by CARANA Corporation

NIGERIA EXPANDED TRADE AND TRANSPORT PROGRAM (NEXTT) QUARTERLY REPORT #2

JANUARY-MARCH 2013

Contract No. AID-620-C-13-00002

DISCLAIMER

The views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

TABLE OF CONTENTS

ACRONYMS AND ABBREVIATIONS	3
EXECUTIVE SUMMARY	5
BACKGROUND	7
PERFORMANCE INDICATORS	9
SUMMARY OF NEXTT ACTIVITIES: JAN – MAR 2013	11
COMPONENT 1: LAGOS-KANO-JIBIYA (LAKAJI) CORRIDOR IMPROVEMENT	14
Task 1: Provide Technical Capacity and Support to LAKAJI CMG.....	14
Task 2: LAKAJI Agricultural Growth Corridor.....	18
COMPONENT 2: TRADE POLICY AND TRADE FACILITATION SUPPORT.....	20
Task 1: Provide Technical Support to FMITI.....	20
Task 2: Support Customs Modernization	24
Task 3: Provide Institutional Capacity Building on Standards Infrastructure for Food Agricultural Trade.....	26
COMPONENT 3: EXPANDED EXPORT SUPPORT.....	28
MONITORING AND EVALUATION	34
CROSS CUTTING ISSUES	35
QUARTER 3 PLANNED ACTIVITIES	37

ACRONYMS AND ABBREVIATIONS

ACA	African Cashew Alliance
AFDB	African Development Bank
AGOA	African Growth and Opportunity Act
ALTTFP	Abidjan-Lagos Trade and Transport Facilitation Project
APS	Annual Program Statement
AWEP	African Women's Entrepreneurship Program
BDS	Business Development Services
BLP	Nigerian Better Life Program
CBN	Central Bank of Nigeria
CEMA	Customs Excise Management Act
CMG	Corridor Management Group
COP	Chief of Party
CRFFN	Council for the Registration of Freight Forwarders of Nigeria
DCG	Director Comptroller General
DFID	Department for International Development
DIV	Development Innovation Ventures
ECOWAS	Economic Community of West African States
EDC	Entrepreneurship Development Centre
EMIT	Economic Management Implementation Team
EMMP	Environmental Mitigation and Monitoring Plan
FERMA	Federal Roads Maintenance Agency
FMITI	Federal Ministry of Industry, Trade and Investment
FTF	Feed the Future Initiative
GCCA	Global Cold Chain Alliance
GDP	Gross Domestic Product
GMP	Good Manufacturing Practices
GON	Government of Nigeria
GSA	Global Shea Alliance
ICT	Information and Communications Technology
LAKAJI	Lagos-Kano-Jibiya Corridor
Ltd	Limited
MAN	Manufacturers Association of Nigeria
MARKETS	Maximizing Agricultural Revenue in Key Enterprises in Targeted Sites Program

MFI	Micro-finance Institutions
MOU	Memorandum of Understanding
MSME	Micro, Small and Medium Enterprise
NAFDAC	National Agency for Food and Drug Administration and Control
NAQS	Nigerian Agricultural Quarantine Services
NCS	Nigeria Customs Service
NEEP	Nigeria Expanded Exports Program
NEPC	Nigerian Export Promotion Council
NEXTT	Nigeria Expanded Trade and Transport Program
PBC	Performance Based Contracts
PMP	Performance Management Plan
PPP	Public-Private Partnership
Q1	Quarter One (October-December 2012)
Q2	Quarter Two (January-March 2013)
RAMP	Rural Access and Mobility Project
SME	Small and Medium Enterprise
SMS	Short Message Service
SON	Standards Organization of Nigeria
SPS	Sanitary-Phytosanitary
TA	Technical Assistance
TFTF	Trade Facilitation Task Force
TPAC	Trade Policy Advisory Council
UEMOA	West African Economic and Monetary Union
UN	United Nations
US	United States
USAID	United States Agency for International Development
VC	Value Chain
WATH	West Africa Trade Hub
WTO	World Trade Organization

EXECUTIVE SUMMARY

The period beginning January 1, 2013 and ending March 31, 2013 (Quarter 2 or Q2) saw the first full quarter of operations for the Nigeria Expanded Trade and Transport (NEXTT) Project. Once formal introductions to these entities by USAID Nigeria were facilitated, NEXTT experienced considerable activity in terms of establishing and strengthening its ties with private sector actors and government institutions at the federal and state levels, while collecting data for important assessments that will set the stage for many of NEXTT's activities over the coming years.

To advance NEXTT's agenda of improving the Lagos-Kano-Jibiya (LAKAJI) corridor, NEXTT staff, subcontractors and international and domestic experts have launched two expansive and labor-intensive assessments this quarter; a LAKAJI Agricultural Growth Corridor Assessment to identify promising investments, and a Corridor Transport and Logistics Assessment to collect new baseline information on the costs and time involved in moving goods along the LAKAJI Corridor, as well as to export and import goods. Both assessments will be completed during Quarter 3. Following the completion of these assessments, NEXTT will schedule workshops with key stakeholders to validate the data collected, and begin to create the framework for sustainable, institutional structures that can use the data as a starting point to stimulate agricultural investment along this corridor, and commit to activities and initiatives to make the corridor a more efficient transport route. The prospects for increased investment along the corridor are considerable; meetings with private sector actors have already resulted in one investment opportunity to create an ICT platform to stimulate sourcing from smallholder farmers, based off a model used with success in India. NEXTT staff will travel with a Nigerian investor to India during the next quarter to follow up on this promising investment lead. The NEXTT team also took concrete steps to engage with the existing LAKAJI Corridor Management Group (CMG) this quarter, to determine the status of this institution and its registration, and follow up on its ability to facilitate constructive dialogue, reform, and promote investment along the corridor. NEXTT has since put in place a strategy to increase membership and member engagement in the CMG, starting with the data validation workshop.

NEXTT has conducted outreach to private sector players in a number of value chains, including meeting with dozens of exporting firms and Business Development Services providers to collect data for key assessments (the Value Chain Selection Assessment and the BDS Mapping Assessment, both scheduled for completion in Quarter 3). Through this outreach, NEXTT has identified opportunities to increase exports in cocoa, shea and other processed fruits and vegetables, as well as new sources of financing for key agricultural value chains, including new funds in development by KFW and GAWA capital. NEXTT has collaborated with key Government of Nigeria (GON) players in the export arena this quarter, namely the Nigeria Export Promotion Council (NEPC). NEPC has assigned a liaison officer to NEXTT, and together the two partners designed a Memorandum of Understanding under which technical assistance will be extended by NEXTT to the GON via the Council and its constituents.

In line with its mandate to leverage international alliances in the shea and cashew value chains, NEXTT co-sponsored "Shea 2013: Global Perspectives", the premier industry event for the Global Shea Alliance in Abuja March 4-6. NEXTT leveraged this conference of more than 500 participants

to meet a number of performance management targets this quarter, including providing capacity building support to 58 firms, supporting 137 participants with trade and investment capacity building, and building the capacity of four (4) export BDS providers.

NEXITT made important movement towards clarifying the Trade Policy Process (TPP) of Nigeria this quarter, reaching the conclusion that a number of key institutional structures in the trade policy arena that were assumed to be fully functional, in fact had ceased to exist after donor resources had been discontinued. NEXITT has summarized its findings of the TPP into a paper that has been submitted to USAID for consideration, will be edited, and then shared with the Government of Nigeria (GON) and later with external actors (other donors, private sector stakeholders) for discussion.

In the customs sub-component, NEXITT has found that considerable progress has been made to resolve outstanding disputes surrounding the Nigerian Customs Act of 2011, or CEMA 2011. This is the first legislation to reform the country's Customs Service since 1958. Ingrained interests and practices will pose challenges in terms of promoting change. The first step is to understand the legislative process required to obtain approval of CEMA 2011, an activity that NEXITT began last quarter.

Cross-cutting priorities of gender, youth integration and environmental stewardship continue to be fundamental to the NEXITT mandate, and incorporated into our work. The Environmental Mitigation and Monitoring Plan (EMMP) was approved and put in place during Q2, beginning with an initial screening of environmental considerations for investments along the LAKAJI Corridor. A Gender Integration Plan for NEXITT was completed this quarter and submitted to USAID for review, outlining specific tasks team members must undertake to ensure appropriate representation of women in project activities. In the meantime, NEXITT staff have received technical assistance on gender inclusion, and NEXITT's Monitoring and Evaluation (M&E) Director has ensured that data collected as part of the project's Performance Monitoring Plan is disaggregated by gender.

BACKGROUND

The Nigeria Expanded Trade and Transport (NEXTT) Project was initiated in October 2012. NEXTT aims to support the Government of Nigeria's (GON) efforts to expand trade domestically, within the Economic Community of West African States (ECOWAS) region and beyond, as well as to improve efficiency for trade, particularly in agricultural products, providing inclusive economic growth and development in Nigeria. Using an integrated approach to trade and transport competitiveness, NEXTT builds upon the GON's and USAID's prior efforts, including the Maximizing Agricultural Revenue in Key Enterprises in Targeted Sites Program (MARKETS) and the Nigeria Expanded Exports Program (NEEP) in order to stimulate investment in trade-related infrastructure and services, reform trade policies and procedures, and improve the position of Nigerian firms in global and regional markets.

Over the 4-year project timeline, NEXTT is expected to leverage past and current efforts toward realizing the following outcomes:

- Facilitating US\$25 million in new investment projects along the Lagos-Kano-Jibiya (LAKAJI) Corridor;
- 30% reduction in transport costs along the LAKAJI Corridor;
- Dynamic trade policy coordination mechanisms that integrate public and private sector priorities into a strategic framework for engagement with trading partners;
- Modernization of customs procedures and systems for meeting international standards for agricultural goods; and
- Facilitating US\$30 million in additional exports as a result of more strategic positioning of Nigerian exporters by export promotion institutions and industry groups.

These outcomes are expected to lead to further and lasting impacts in the form of reduced costs for both the producers and consumers higher quality of food products available in the domestic market, as well as jobs and income generation opportunities at all levels of different value chains exporting goods abroad.

Realizing this vision involves strategic deployment of NEXTT resources and capacity, as well as leveraging and building the capacity of existing platforms in corridor management, trade policy and trade facilitation, and national food safety. NEXTT is also sponsoring new initiatives, including the growth of a Business Development Services (BDS) provider network targeting firms in non-oil export industries, and the development of a LAKAJI Agricultural Growth Corridor Initiative that defines and coordinates priority investments in critical agricultural infrastructure, services, and other related projects along the corridor.

The NEXTT project's role includes contributing technical assistance (TA) towards the development and impact of these initiatives through a combination of analyses (investment and export opportunities, corridor constraints and opportunities) and direct support (training, expert consulting) to Nigerian partners. Throughout the life of the project, NEXTT will build the capacity of Nigerian partners to be able to continue the sort of analysis, training and expert consulting

provided by NEXTT experts at present. Activities in the Year 1 Work Plan will continue to set the foundation for this transition, including a series of assessments of opportunities and constraints to improve corridor governance, investment facilitation, improved trade policy coordination, and capacity building for Nigerian partners.

PERFORMANCE INDICATORS¹

Indicator	Unit of Measure	Baseline ²	Q2 FY2013 Achieved	Year 1 (Oct 2012-Sept 2013)			Life of project (Oct 2012-Sept 2013)		
				Target	Achieved	%Achieved	Target	Achieved	%Achieved
Component 1: LAKAJI Corridor Improvement									
Reduction in the cost to trade goods across border as a result of US assistance	US Dollars	Import:\$3,527* Export:\$1,449*	0%	0%	0%	100%	30%	0%	0%
reduction in the number of days required to trade goods across border as a result of US assistance	Days	Import: 30.76* Export: 8.95*	0%	0%	0%	100%	30%	0%	0%
Increase in membership of CMG	Members	7	0%	10%	0	0%	25%	0%	0%
Number of new agribusiness established along LAKAJI corridor as a result of project support	Enterprises	0	0%	3	0	0%	18	0	0%
Number of development innovation venture proposals submitted	proposals	0	0	1	0	0%	9	0	0%
Value of investment disbursed by catalytic fund	US Dollars	0	0	\$ 2 M	0	0%	\$25M	0	0%
Component 2: Trade Policy And Trade Facilitation Support									
Number of legal, regulatory, or institutional actions taken to improve implementation or compliance with international trade and investment agreements due to support from USG-assisted organization	Actions	0	0	1	0	200%	8	0	0%
Number of participants in trade and investment trainings	individuals	0	0	40	0	0%	260	0	0%
Number of custom harmonization procedures implemented in accordance with internationally accepted standards as a result of US assistance	procedures	0	0	1	0	0%	8	0	0%
Number of public and private sector standards-setting bodies that have adopted internationally accepted standards as a result of USG assistance	Number of standards-setting bodies	0	0	1	0	100%	6	0	0%

¹ The Performance Management Plan indicators were modified, at the request of USAID, in April 2013. Additional indicators will be included in the 3rd Quarterly Report covering April – June 2013 accordingly.

² The initial baseline figures for the cost/time to trade goods were developed with data from the USAID MARKETS LAKAJI Transport Corridor Performance analysis, conducted in June 2010. The unit of measurement is 20-foot container (TEU). Cost scores are weighted average (by volume) of cargo passing through the corridor with various destinations. Costs are calculated for cost of imports and exports to transfer through two ports (Apapa and Tinian). Time scores are weighted average (by volume) of cargo passing through the corridor with various destinations. These baseline scores are meant to provide a frame of reference, and will be replaced with updated baseline data once the Corridor Transport and Logistics Assessment is complete.

PERFORMANCE INDICATORS Continued

Indicator	Unit of Measure	Baseline	Q2 FY2013 Achieved	Year 1 (Oct 2012-Sept 2013 Target Achieved %Achieved			Life of project (Oct 2012-Sept 2013 Target Achieved %Achieved		
Component 3: Expanded Export Support									
Number of firms receiving capacity building assistance to export	Firms	0	0	20	58	290%	120	0	0%
Number of trade and investment capacity building diagnostics conducted	Diagnostics conducted	0	0	2	0	0%	6	0	0%
Number of participants in USG supported trade and investment capacity building training	Individuals	0	137	40	F-85	342.5%	260	0	0%
					M-52				
Number of capacity building service providers receiving USG assistance	Service providers	0	4	10	F-1	40%	40	0	0%
					M-3				
Number of firms receiving USG assistance that obtain certification with international quality control, environmental and other processes, voluntary standards or regulation	Firms	0	0	1	0	0%	12	0	0%
Value of exports by NEXTT clients firms facilitated as a result of project assistance	US Dollars	0	0	\$ 1 M	0	0%	\$25M	0	0%
Value of investments in NEXTT client firms facilitated as a result of project assistance	US Dollars	0	0	\$ 2 M	0	0%	\$25M	0	0%

SUMMARY OF NEXTT ACTIVITIES: JAN – MAR 2013

The following chart lists activities undertaken by the NEXTT program. All tasks listed were completed in preparation for upcoming required activities and milestones.

Activity	Date
Component 1: LAKAJI Corridor Improvement	
Task 1: Provide Technical Capacity and Support LAKAJI CMG	
Began research on a Corridor Transport and Logistics Assessment, the results of which will establish new baseline information on time and costs to move goods, and will be shared with stakeholders in the CMG to revitalize this effort	March 9 – April 14
Engaged existing public stakeholders of the CMG, and identified and met with new potential stakeholders in both the public and private sectors	February - April
Conducted global research and held multiple discussions on the proposed CMG structure internally and with USAID, and redefined targets for CMG institutionalization	February - March
Planned for the upcoming Corridor Transport and Logistics Assessment baseline data validation workshop, to be held with public and private potential and existing CMG stakeholders.	April
Task 2: LAKAJI Agricultural Growth Corridor	
Engaged a global team of multi-disciplinary experts to conduct the Agricultural Growth Corridor Assessment which will serve as an investment blueprint providing a foundation for Nigeria's Agricultural Growth Corridor Initiative along the Lagos-Kano-Jibiya (LAKAJI) Corridor	February 18 – March 8
Conducted global research and held multiple discussions on the proposed LAKAJI Agricultural Growth Corridor institutional framework and the Catalytic Fund initiative	March - April
Began planning and preparation for the upcoming LAKAJI Agricultural Growth Corridor Investor meeting	March - April

Component 2: Trade Policy and Trade Facilitation Support	
Task 1: Provide technical Supports to the Federal Ministry of Industry	
Strengthening of National Trade Policy Coordination	
Developed an alternative structure to guide trade the Nigerian Trade Policy process (in response to the lack of existence of a functional Trade Policy Advisory Council)	
Developed a proposal to host a workshop to begin the process to reformulate the trade policy process as a step to reforming the TPP and ENFP	
Capacity Building for Tariff Analysis	
Developed a training proposal for trainings on data and basic methodologies for trade policy analysis	February – March
Support the Trade Facilitation Task Force (TFTF)	
Evaluated the TFTF and found that this platform had ceased to exist following the cessation of World Bank and DFID funding	February
Via meetings with FMITI Ministry and other stakeholders, identified the need for reform and repositioning of the TFTF	February - March
Identified former members of TFTF are to be part of upcoming trade policy process (TPP) trainings	March
Held multiple meetings with the Director of the NCS to outline priorities for customs reform, modernization and capacity building	February - March
Trade Issues Training	
Conducted an analysis of internal capacity within the FMITI to conduct high quality trade analysis	February
Met with other international donors in an effort to begin coordination on trade capacity building for Nigeria	March
Developed a training program to improve trade analysis capacity in FMITI	February - March
Analyzed the operations of the Nigeria trade resource center	February - March
Task 2: Support Customs Modernization	
Support the Legislative and Process Modernization	
Conducted analysis of the legislative status of the pending customs act (NCS Act 2011)	February - March
Provided technical assistance to the Senate Committee of Finance, and held meetings with CG of customs, Economic Adviser to the President, EMIT and CFFRN to discuss contentious areas of the NCS Act 2011	
Development of the agenda of a stakeholder meeting to discuss remaining areas of contention of the new customs act in progress	
Improve Risk Management	
Initiated a gap analysis for targeted trainings in risk management	February
Identified, with NCS, 6 core areas on which training schedule, methods and materials were identified.	March
Improve Valuation and Classification Methodologies	
Reports of the state and functionality of the existing Customs Valuation Unit underway by Crown Agents	March
Initial gap analysis and training proposals underway by Crown Agents in the areas of classification, valuation, intelligence, risk assessment and post clearance audit	

<i>Task 3: Provide Institutional Capacity Building on Standards Infrastructure for Food Agricultural Trade</i>	
<i>Mapping Standards and Compliance Procedures</i>	
Held meetings with NAFDAC, SON, MAN Ministry of Agriculture to formally present the NEXTT project	February - March
Met with technical personnel of the Food Safety Management Committee of the Ministry of Health and Trade and Ministry of Agriculture to identify areas for potential support	
Provided technical assistance to the Ministry of Health by taking part in the review of the Draft of Safety Policy	
Participated in a workshop on standardization of cocoa processing and export	March
Established a database of contacts for food safety work	February - March

Activity	Date
Component 3: Expanded Export Support	
Developed a methodology to select one priority value chain for prioritization and targeted support	January - March
Began business development services assessment	February
Developed a Memorandum of Understanding with NEPC outlining trade show support	March
Co-sponsored the Global Shea Alliance 2013 annual meeting, delivering technical assistance and training to dozens of shea entrepreneurs, business development providers and financial institutions on the subject of access to finance	March 4- 6
Established relationships with SME firms in the key value chains to determine technical assistance and BDS needs	February - March
Developed a preliminary access to finance (A2F) strategy to support exporters via performance based contracts, using the West Africa Trade Hub A2F methodology. Held initial meetings with potential financial facilitators, funds, and other international partners	January – March

COMPONENT 1: LAGOS-KANO-JIBIYA (LAKAJI) CORRIDOR IMPROVEMENT

Overview

This component of the NEXTT project aims to strengthen transport corridor governance and development planning which will support the improvement of transportation infrastructure and services along the LAKAJI Corridor (hereafter referred to as the “Corridor”). NEXTT is bringing together public and private sector stakeholders into efficient institutions that can advocate for Corridor improvements, propose solutions, monitor improvements, and facilitate new private investment.

As the primary overland transport route in Nigeria (about 27 million tons of goods transported each year), the Corridor is the most important transport route in the country from both a food security perspective, and an intra-regional and domestic trade standpoint. The Corridor connects West Africa’s largest agricultural market in Kano with the West Africa’s largest consumer market in Lagos, as well as links key production and processing zones for strategic exports through the Lagos ports. Investment in agribusiness activity along the Corridor is constrained, however, by high transport and logistics costs, which reduce the competitiveness of producers and processors. Similarly, investment in transport and logistics services is constrained by administrative barriers to efficient operations and poorly maintained infrastructure. The efficient administration of the Corridor through the LAKAJI Corridor Management Group (CMG) and investment in agribusiness via an Agricultural Growth Corridor Initiative (AGCI) are the two key elements of NEXTT’s strategy to address those constraints.

Task 1: Provide Technical Capacity and Support to LAKAJI CMG

Central to NEXTT’s strategy to improve the flow of goods along the Corridor and support regional Corridor governance is to ensure that the LAKAJI CMG, an independent, member-run organization created under a prior USAID project, is functioning optimally. NEXTT intends on transitioning the CMG into a sustainable Public-Private-Partnership (PPP) with a strong management framework and platform for dialogue to be able to identify, implement and monitor and evaluate Corridor improvement initiatives.



***LAKAJI corridor:** Nigeria's most important transportation route, the key to food security, and the focus of the NEXTT project.*

Results

CMG Stakeholder Mobilization

In order to become an effective institution capable of proactively facilitating constructive dialogue, initiating reform, and facilitating investment to improve Corridor efficiency, the CMG requires high-level political endorsement, financial commitments, active participation, and fluid cooperation with public and private sector stakeholders. After reviewing all background documents of the CMG, consulting with existing subscribers to the CMG, and evaluating the current context, NEXTT staff have developed a strategy to increase CMG membership.

To do so, NEXTT prioritized the initiation of the Corridor Transport and Logistics Assessment Study, which provided a vehicle to meet with several potential stakeholders, all of whom exhibited a sound understanding of and support to the CMG, including agriculture producers, agriculture input providers, freight forwarders and shipping companies. All these actors have been informed of the upcoming Validation Workshop of baseline data from this assessment currently planned for late May 2013.

NEXTT staff have also established Corridor State Working Groups (CSWGs) in five of the eight Corridor states (Kaduna, Kano, Katsina, (Kwara, Niger), with the initial objective of outlining priorities of cooperation with NEXTT, resulting in the creation of Memorandums of Understanding (MOU) with each of the state governments within the Corridor (a deliverable under Component 1). The CSWGs bring together different public sector actors along the Corridor, including (but are not limited to) the Office of the Secretary to the State Government; Office of the Director General, Youth & Entrepreneurship Development; and the Ministries of Trade, Agriculture, and Transport. Following this initial milestone (establishing MOUs for cooperation), these CSWGs could also be a potential nucleus for public-private dialogue around the Corridor. NEXTT will evaluate the performance of each CSWG as we move forward with our state by state collaboration efforts, and will determine what types of new membership, technical assistance or other supports may be

required so these bodies continue to function effectively for improved Corridor performance, and whether the possibility exists to build on this initial structure.

Operationalize the CMG's Governance Structure

The NEXTT project's first step in implementing a governance structure for the CMG has been to familiarize ourselves with the original governance structure, learn of the status of the process of the CMG's registration, and seek out ways to support the CMG to become fully operational. In conjunction with the Federal Ministry of Transport, the Agribusiness and Trade Portfolio Manager, and the Economic Growth and Environment Office of USAID Nigeria, NEXTT has held a series of meetings to inform and mobilize public and private sector stakeholders in support of the CMG.

As mentioned, the CMG was created under a prior USAID-funded project. Three years have passed since the original structure of the CMG was envisioned, and the CMG as currently designed, has stalled in terms of its operations. Public sector leadership has not brought dynamic movement forward, and there is a limited private sector involvement and commitment to the CMG. An example of this lack of forward movement is the fact that the CMG registration process, initiated years ago, has yet to be completed.

NEXTT's strategy to get to the task of finalizing the appropriate governance structure for the CMG involves applying lessons learned from the West Africa Trade Hub's corridor management activities, which are largely seen as successful from the point of view of establishing a strong basis for dialogue among the stakeholders in the CMG process.³ A strong basis for dialogue is a critical precursor to identifying a set of priorities for action, and before determining which stakeholder groups will contribute which resources (both financial and human) to the CMG process.

NEXTT's strategy to move forward on governance issues to begin with an activity that will create opportunities for dialogue around concrete issues among CMG stakeholders. NEXTT will host a baseline data validation workshop to discuss the recent data collection efforts along the Corridor on transport and logistics, which will have the multiple objectives of i) validating the baseline data, ii) establishing Corridor improvement priorities and discussion groups, and iii) identifying new CMG "champions". Hosting a stakeholder meeting around a specific point of reference will allow the CMG stakeholders (old and new) the opportunity to start fresh with a new round of dialogue around specific issues, allowing for the CMG governance structure to evolve more organically, via dialogue and collaboration between public and private institutions. Up to sixty stakeholders have indicated an interest to attend this proposed Data Validation Workshop.

Corridor Performance Monitoring and Evaluation

Although NEXTT team members, CARANA home office staff and international experts initiated the first Corridor Transport Logistics Assessment under NEXTT, the intent is to train staff of the CMG Secretariat (once established) in this methodology to instill in this institution the capacity to evaluate the performance of CMG efforts to improve the efficiency of the Corridor. Training activities for CMG staff in the methodology to obtain data on the time and cost to move goods

³ USAID Nigeria has requested increased collaboration between the USAID West Africa Trade Hub and its bilateral activities.

along the LAKAJI Corridor will take place upon the establishment of a CMG Secretariat and hiring of its staff.

Analysis

Corridor efficiency will play a key role in improving the competitiveness of Nigerian non-oil exports, as well as promoting food security and rural prosperity. In continuation of work started during the first quarter, Q2 involved the deepening of activities that support the institutional development of the CMG under Component 1.

NEXTT and CARANA staff and consultants have held multiple discussions with USAID Nigeria over the past quarter on the membership, governance structure and most appropriate role of the CMG. The parties have discussed on multiple occasions the need for forward movement on the CMG, while recognizing that the current institutional structure of the CMG has been largely dormant in recent years.

Through interviews with private sector members NEXTT staff have heard the complaint that Nigeria's private sector has had limited opportunities to engage in formal dialogue with the public sector to address issues that hamper competitiveness. The private sector has also been largely uninvolved in CMG efforts, with state institutions and parastatal agencies taking the lead.

Building the platforms for public-private dialogue and partnerships along the Corridor will be critical to the success of the NEXTT project moving forward. The investment in time therefore, to complete a quality Corridor Transport and Logistics Assessment, and to use this data to potentially expand the CMG membership to involve more private sector and dynamic actors is worth the effort, if this will create a stronger basis for forward movement in Corridor management. The formation of the CMG has been an important first step. NEXTT will continue its efforts in the second half of the project's first year to engage new private sector members and dynamic stakeholders into the CMG, to revitalize this group to be a proactive force for change and corridor improvement.



With the support of NEXTT, the LAKAJI CMG will play a pivotal role facilitating transport corridor improvements that reduce the time and cost of moving goods throughout the corridor and across borders.

Task 2: LAKAJI Agricultural Growth Corridor

The Agricultural Growth Corridor Initiative (AGCI) seeks investments in areas which will improve the Corridor's performance and allow Nigeria to better capitalize on the potential of its agricultural sector. Ramping up trade and processing activity along the Corridor will depend heavily on investment in logistics services, as well as hard and soft infrastructure that link the production and processing areas in the foods industries with each other through the main truck route. Those investments will also have broader development impacts, including food security for urban areas that rely on food grown and processed along the Corridor.

This quarter, NEXTT staff continued to work diligently towards their year one goal for this task: to launch a platform for catalyzing private investment and developing viable projects for funding and investment.

Results

LAKAJI Agricultural Growth Corridor Assessment

NEXTT launched a second, national assessment this quarter, titled the LAKAJI Agricultural Growth Corridor Assessment. NEXTT staff, international consultants, and local and international subcontractors traveled from Lagos to Jibiya over three weeks in February and early March, interviewing close to one hundred members of the public and private sector, with the goal of developing an investment blueprint of high impact opportunities with significant development impact, along the Corridor. The motivation behind mobilizing an assessment team with diverse areas of technical expertise, including trade and investment, supply chain and logistics, ICT, and agribusiness and agro-processing was to capture all aspects of investment along the Corridor.

When completed (estimated early May), this investment blueprint will serve as a rallying call for members of the private sector interested in increasing their agricultural investments along this Corridor, in collaboration with the NEXTT project and public stakeholders.

The Assessment will also suggest an institutional framework for an independent AGCI Advisory Board that will take the investments identified to the next level. The AGCI will prioritize innovative and profitable investments along the Corridor, and will find investors and partners in these

FACILITATING NEW INVESTMENTS ALONG THE LAKAJI CORRIDOR

Assisting agricultural firms improve commodity sourcing from smallholder farmers using innovative ICT platforms was a recurring theme of the LAKAJI Agricultural Growth Corridor Assessment. One IT firm approached by the NEXTT team (AVM) had been thinking along these lines when NEXTT team members presented the possibility of replicating the "E-Choupal" system deployed in India by the ITC Corporation. The solution could be applicable to a number of key corridor crops, including cashew, tomato, soya, cassava, and rice. The NEXTT team is now brokering relationships between AVM and ITC, as well as AVM and large agribusinesses firms to guide product development of this new ICT platform. A trip to India is planned (AVM will invest its own resources to travel) to firm up this potential investment, the first along the corridor spurred by the NEXTT project.

initiatives to move these forward. Given that many of the potential investments, while profitable, may likely be beyond the risk tolerance of traditional financial sector actors, a Catalytic Fund is envisioned for use of the AGCI which can be used to finance pre-investment activities, eventually proving their viability, and paving the way for more traditional investment and finance. NEXITT will also search for opportunities for the investments identified to leverage other project support vehicles, such as USAID's Development Innovation Ventures (DIV) and APS mechanisms.

An investor stakeholders meeting will be hosted by NEXITT to bring potential investors to the table (estimated in June) to discuss and validate the investments identified and identify champions to move these forward. The stakeholders meeting will also serve as yet another opportunity to identify members of an AGCI Advisory Board, in addition to outreach efforts that NEXITT team members have been undertaking since the project began.

Analysis

Nigeria is one of Africa's top two investment destinations, following (and some would argue, surpassing) South Africa. NEXITT is poised to leverage the growing investor interest in Nigeria's agricultural sector, which is significant. In spite of serious challenges in infrastructure, security and the enabling environment, international and domestic investors will keep coming to Nigeria for the size of its market, its strategic location, and its abundant natural resources. The Goodluck Administration has done an excellent job making sure that international investors know that they are welcome to Nigeria to assist this country in its quest for food security, and facilitating their arrival. The government's many efforts to invest in new infrastructure, such as roads, rail, strategic processing zones and warehouses, are promising signs validating the seriousness of their quest. The existence of financial resources to invest in Nigeria from both international and domestic potential investors is abundant and is not in question—the NEXITT project's task therefore, is to attempt to channel and coordinate investments with the government of Nigeria, private and other investors (such as other international donor entities) so that these are as high impact as possible, prioritizing food security, vulnerable small farmers and their families, and are also sustainable endeavors over the long-term, considering the crosscutting themes of environment, women and youth.

The NEXITT-supported AGCI is well-aligned with the Ministry of Agriculture's Transformation Agenda, as well as the global efforts of the International Finance Corporation (IFC), the African Development Bank (AFDB) and the United Nations Food and Agriculture Organization (FAO), in promoting responsible private agribusiness investment while creating economic opportunities for rural communities. In tandem with the NEXITT project, both the IFC and FAO are working to bring technical expertise and knowledge networks to support Small and Medium-Sized (SME) agribusiness investment in low-income countries eligible for Global Agriculture and Food Security Program (GAFSP) administered by IFC. NEXITT will continue to coordinate its work with international donors and other USAID projects moving forward, to avoid duplication of efforts, and to leverage the project's modest resources for expanded impact.

COMPONENT 2: TRADE POLICY AND TRADE FACILITATION SUPPORT

Overview

NEXITT Component 2 strengthens trade policy and trade facilitation environments that promote development of Nigeria's non-oil export (in particular agribusiness) sectors. Its purpose is to facilitate creation of an inclusive system of trade policy formulation and implementation through capacity-building for public and private institutions to drive trade facilitation and trade competitiveness in Nigeria. Three inter-related tasks have been pre-identified to achieve the focus of this component: (i) Capacity-building for trade policy formulation and implementation among various public and private institutions, as well as groups dealing with trade policy issues—including implementation of AGOA and other related trade preferences and multilateral commitments on trade; (ii) Support for customs modernization by providing capacity assistance to improve customs procedures and provide technical support toward the passage of the customs legislation; and (iii) Support for institutional capacity building on standards and food safety and initiating inter-agency collaboration on food safety management in Nigeria, with a view toward strengthening the environment in which both public and private sector entities operate. During Q2, Component 2 was active in all three of these tasks.

Task 1: Provide Technical Support to FMITI⁴

Strengthening of National Trade Policy Coordination

During Q2, the NEXITT team, with the assistance of an international expert, analyzed Nigeria's trade policy formulation mechanism, or Trade Policy Process (TPP), trade facilitation measures, customs procedures, and standards for food safety, culminating in a report titled, "Review of the Nigeria Trade Policy Process."⁵ This report underwent review by USAID, and suggestions for improvement are currently being incorporated into the text. Following its completion, and as per USAID guidance, the report will be delivered to the GON for its internal review and comments before sharing with a broader base of stakeholders (such as international donors, private sector actors and Nigeria's National Chapter of the Borderless Alliance).

The NEXITT team and an international consultant embarked on a series of interviews in February and March 2013 with both public and private stakeholders involved in TPP, including GON ministries, departments and agencies (MDAs), private sector, trade and professional associations, non-governmental organizations, and other donor agencies. These interviews helped determine the characteristics of the TPP in relation to the international best practices. The assessment also was helpful in identifying training and capacity gaps, as well as a proposed process for filling them. In

⁴ The Ministry referred to in NEXITT's Year One Work plan as the FMT&I (Federal Ministry of Trade and Investment) changed its name during this quarter to now be Federal Ministry of Industry, Trade and Investment, or FMITI.

⁵ In the Year One work plan for NEXITT, this report is referred to as a "Mapping Exercise of the Nigeria's Trade Policy Formulation Mechanism".

addition, it was meant to prioritize training needs of the Federal Ministry of Industry, Trade and Investment (FMITI) and related departments and agencies involved in TPP and the trade facilitation arena.

As part of the mapping exercise, the NEXITT team met with various members of the FMITI to determine this Ministry's role in coordinating TPP, including meetings with the Director, Senior Technical Advisers, and other related staff. These meetings enabled the NEXITT team to determine the structure, functionality, gaps, priority needs, and interdependence among various divisions within FMITI's Trade Department. Furthermore, the NEXITT team was able to observe and analyze FMITI's success in coordinating with other Ministries and private sector actors in formulating trade policies, as well as assess the contributions (and limitations) of other donors in providing assistance to the Trade Department.

The NEXITT team also held fact-finding meetings with the Federal Ministry of Finance, including Directors, Deputy Directors, and other technical staff within various departments of the Ministry—many of whom are members of the Economic Management Implementation Team (EMIT)⁶—as well as with the Chief Economic Adviser to the President. The objectives of the latter meeting was to determine the role of the Office of the Economic Adviser in formulating TPP, understand its staff's capacity to function in advising the president on trade matters, as well as its collaboration with other MDAs. Overall, the meetings focused on the needs to reform the TPP in Nigeria and strengthen inter-agency collaboration in trade policy making.

The NEXITT team also held a series of meetings (five in total) with various hierarchies of the Nigerian Customs Service (NCS), including two meeting with Comptroller General of the Service. The interactions with customs had multiple purposes, including determining NCS's contributions to the TPP and trade facilitation, to follow up on the proposed Customs Reform Act (CEMA), which was submitted for official consideration in 2011, and to explore the role of NCS in revenue generation. More on NEXITT interaction with the NCS is discussed later in this report, under Task 2: Support to Customs Modernization.

To engage the private sector in trade policy discussions, the NEXITT team met with representatives of the National Association of Nigerian Traders (NANT), the Council for the Registration of Freight Forwarders in Nigeria (CRFFN), and the Manufacturers Association of Nigeria (MAN). The team discovered that NANT functions as an umbrella agency with a goal to promote Nigerian trade entities both locally and internationally. The organization also provides technical and coordinating support for developing trade policy in Nigeria. It brokers relationships between the public sector and donor agencies and private sector entities in support of improved trade policies. It also provides technical support to various committees of government on trade. These interactions also sought to identify the competence of the organization to play such an important role and its relationship (formal and informal) with other agencies involved in TPP. Meetings with CRFFN focused on the role of the council in trade facilitation, relationships with other agencies involved in trade

⁶ EMIT provides technical support for the Economic Management Team (EMT) chaired by the Minister of Finance, while EMT itself provides support to for the National Economic Management Team chaired by the President. The meeting with EMIT sought to determine the role and capacity of the Ministry, EMIT and EMT in TPP and the structure of coordination with other MDAs as the closest Ministry to the presidency given its coordinating role on economic matters.

facilitation, and involvement in trade policy formulation, as well as TPP implementation in Nigeria. Last, the NEXTT team held meetings with MAN as the umbrella body over the manufacturing groups within Nigeria. MAN is among the associations most impacted by trade policies and therefore plays an important role in promoting TPP. The team also obtained information on the structure of MAN and MAN Export Group (MANEG), the capacity of the group(s) to contribute to policy formulation and implementation processes, and information related to MAN's collaborations with other private sector organizations and public sector agencies in shaping Nigeria's TPP.

NEXTT staff and consultants also interviewed international donors, donor-funded projects and NGOs supporting an effective TPP in Nigeria, including the European Union, GIZ, DFID, Oxfam, and another USAID funded project, MARKETS II. Many of these interviews highlighted the challenge presented in working effectively with the GON and in particular, with the FMITI, on TPP. The consensus among these players is that Nigeria's trade policy institutions and processes are dysfunctional and require substantial reform to deliver resourceful trade policy and trade facilitation ability.

One of the study's major findings is that the two structures initially believed to be functioning to support the TPP in Nigeria (the Trade Policy Advisory Council, or TPAC, and the Trade Facilitation Task Force, or TFTF) have essentially ceased to exist following the closure of donor support to these. What is left in terms of a TPP, is a system of a myriad of MDAs, all with different assigned tasks and assumed roles to play in the TPP, and little clarity on which MDA is responsible for a successful TPP process.

Given the current situation, the TPP report identifies a "multi-stakeholder model" (MSM) as the most transparent and inclusive tool for dealing with the complexities usually associated with TPP. MSMs have been applied successfully to TPP in several developed and developing countries. In these "best practice" examples, a small professional secretariat provides support in facilitating coordination and sound economic analysis of trade issues. Following careful benchmarking of the current state of TPP in Nigeria against WTO principles and international best practices, the report also provides specific recommendations for improving TPP. Specific suggestions include restructuring of the Enlarged National Focal Point (ENFP) and improvement of other relevant structures for TPP in Nigeria. In addition, the report suggests that TPP in Nigeria requires enhanced coordination, and that decisions should be based upon sound economic analysis using reliable trade data and modern analytical tools. The report also found that trade policy decisions should be made initially at the staff level and then reviewed at senior policy levels. The national legislative body should also be involved in trade policy review, and final recommendations should come from local stakeholders.

Given the status of the TPP, NEXTT has essentially "returned to the drawing board" in terms of the most effective way to proceed in terms of strengthening Nigeria's TPP. To begin this forward movement, and as an opportunity to share the results of the study, NEXTT will bring together trade policy officials and interested parties in a workshop event, tentatively titled International Trade Issues for Policy Officials, in late May or early June 2013. This event is envisioned to bring together stakeholders in the TPP to initiate a dialogue that will lead to well-structured inter-agency

collaboration for trade policy making in Nigeria. The workshop is also the first step in the effort to restructure and reform of the Enlarged National Focal Point (ENFP) and Trade Facilitation Task Force (TFTF), among other relevant structures in the TPP. The training agenda will re-familiarize relevant actors with international trade facilitation metrics and policy, as well as promote practical steps which Nigeria can take in order to improve its profile on the global scale. The last component of the trainings will seek to catalyze a stakeholder-driven agenda for TPP.

Capacity Building for Tariff Analysis

Not even the most brilliant design of a trade policy process will be effective if the human resources behind it are not capable of sound trade policy analysis. NEXTT also used the TPP study to analyze the capacity of TPP human resources within the FMITI. NEXTT has moved forward therefore, with design of a workshop tentatively titled “Training on Methods of Trade Policy Analysis.” While subject matter is still being finalized, the event will involve the convening of economists and trade policy analysts in Nigeria to initiate exchanges of ideas among lower-to-mid level analysts from different entities (both public and private) as well as to assess various economy-wide contagion impacts of different policy proposals by different departments within the government. This training is scheduled to take place in early June 2013.

Support the Trade Facilitation Task Force (TFTF)

As per the work plan for FY 2013, NEXTT was originally meant to provide training to the FMITI's Trade Facilitation Task Force (TFTF) on benchmarking the effectiveness of trade facilitation measures against existing metrics. However, the assessment of the Trade Policy Process conducted over the last quarter also found that the promising Trade Facilitation Task Force of the FMITI, is also no longer functional, after financial support from its donors, the UK's DfID and the World Bank, was discontinued.

Therefore, NEXTT is going to include individuals formerly involved in the TFTF as participants in the International Trade Issues for Policy Officials workshop event. As previously mentioned, this event will attempt to initiate a dialogue that will re-invigorate a well-structured inter-agency collaboration for trade policy making in Nigeria.

Analysis

NEXTT's Year One work plan was developed under the premise that promising trade facilitation structures, the Nigeria's Trade Policy Advisory Council (TAPC) and Trade Facilitation Task Force (TFTF) remained viable entities that the project could quickly engage with to move trade policy forward in Nigeria. However, once the project staff and international consultants began to conduct their mapping of the Trade Policy Process, they quickly found that both structures had ceased to be functional, impacting the timeframe and structure of activities under this component. The NEXTT team also found that there were multiple players and levels of government that were involved in the formulation of trade policy in Nigeria, all with limited private sector involvement or consideration of the role of women in trade. Those individuals that remained involved in the TPP do so with limited capacity, and work in Ministries and offices that sometimes function at cross purposes with each other on the subject.

In short, Nigeria's overall Trade Policy Process is not on par with international "best practices", impacting Nigeria's ability to increase trade and stimulate economic growth. Against the global trend of trade liberalization, protectionism remains a key strategy of Nigeria's trade policy. Nigeria's TPP therefore requires re-shaping and re-design, improvements in human resource capacity, and a new focus to be more inclusive to private sector actors and female traders, so it is on course to play the leadership role in trade relations that Nigeria must play within the region and globally as an economic powerhouse.

A report suggesting ideas guiding the re-design of the TPP to be on par with international standards was submitted to USAID during Quarter 2 and was returned recently with comments for incorporation, along with a suggestion that the report be shared first with the Nigerian government before expanding distribution to external audiences (in particular with the private sector and other donors). Therefore, whereas originally NEXTT had planned to be engaging with the FMITI at this point to elaborate on the structure of the TPAC Secretariat, events dictate that engaging on a new TPP structure will take place on a different timeline, in particular if private sector involvement in the TPP is to be increased.

To ensure that a new TPP is more sustainable of a structure than the previous TPAC or TFTF, a different strategy is needed to bring together stakeholders in its formation. NEXTT is working therefore, to develop a workshop to bring together stakeholders in the TPP to begin a new round of dialogue around this subject. NEXTT will use the publication of the TPP as a discussion point, and will share "best practices" in international TPPs, to initiate the beginning of a new chapter Nigeria's trade policy formulation.

Task 2: Support Customs Modernization

Overview

The customs component of NEXTT seeks to support enactment of the NCS Act 2011. The Act repeals the existing Customs and Excise Management Act of 1958, as amended (CEMA); creates the Nigeria Customs Service (NCS) as a professional organization under the supervision of the Ministry of Finance and a governing Board; and provides the legal foundation for the use of modern customs procedures. In addition, NEXTT seeks to reform customs processes to conform to international best practices through improvement of risk management procedures, valuation and classification methodologies, automation and clearance procedures, and accreditation procedures.

Results

Support the Legislative and Process Modernization

During Quarter 2, and as per the work plan, NEXTT team members began a "needs assessment" on the process required to pass the NCS Act 2011. The enactment of CEMA 2011 was fundamental to achieving a transition from provision of custom services from international services providers to the

Nigerian government. CEMA is designed to repeal the pre-colonial customs act which has applied to customs operations for the past fifty-five years in Nigeria, and will provide the basis for training and strategic planning for NCS to apply first-class custom procedures in conformity with international best practices.

As part of the needs assessment, NEXTT met with the NCS, Council for the Regulation of Freight Forwarding of Nigeria (CRFFN), the Economic Management Implementation Team (EMIT), National Association of Nigerian Traders, (NANT), the Office of Economic Advisers, and the National Association of Traders Association to discuss the way forward towards resolving continued contention around the proposed CEMA 2011.

The preliminary needs assessment identified several of the remaining contentious issues potentially preventing passage of CEMA 2011, such as the autonomy and supervision of the NCS, the relationships between NCS and other stakeholder agencies, and the “operational powers” that may be granted under the new Act, such as the ability of NCS to conduct testing, complete inspection services, grant waivers, fix tariff levels and determine appropriate non-tariff measures (which used to be the prerogative of the Executive Branch, and President of Nigeria in particular).

Through this process, NEXTT was able to promote private sector partner NANT as an invitee to the Senate Committee on Finance to provide assistance towards finding resolution on several of these contentious issues. NEXTT also provided TA to NANT which has helped shape the organization’s line of reasoning in delivering required assistance on CEMA legislation.

CEMA 2011

CEMA 2011 repeals the CEMA 1958, proposing a professional customs service organization with significant level of autonomy under the supervision of the Ministry of Finance and a governing Board, also chaired by this Ministry. CEMA 2011 provides a legal basis for modern, technology-driven, customs procedures in classification, valuation, determination of origin and associated rules, risk management, post clearance audit and intelligence. It also updates the penalties procedures in customs operations. The draft CEMA 2011 was presented to the House of Representative in Nigeria as a private interest bill. The House conducted a public hearing in 2012 and passed the bill through the three statutory readings, concluding in June 2012. When the bill was passed to the Upper Legislative Chamber for consideration however, numerous contentions were raised by public and private stakeholders which have yet to be resolved.



The DGC of Nigerian Customs Service, NEXTT staff and consultants

The NEXTT team also provided technical assistance to the CRFFN regarding recommendations it proposes with regards to the new law, and successfully advocated for CEMA with the Economic Adviser to the President, EMIT, and the NCS. The NEXTT team made several visits to the NCS including the offices of the Director Comptroller General (DGC), Legal Department, ICT department, and the NCS staff college. The visit to NCS Staff College was conducted in conjunction with the Deputy Economic Counselor of the US Mission to Abuja.

Crown Agents, NEXTT's subcontractor for the project's customs portfolio, also sent a team of consultants to Nigeria in March 2013 to continue data collection efforts, and complete the NCS needs assessment for submission to USAID in Q3.

Improve Risk Management/Improve Valuation and Classification Methodologies

During the visits, the DCG of NCS made specific requests for training and capacity building in six major areas which align with the focus of the NEXTT project. The six areas for requested NCS capacity-building are: customs classification, valuation, rule of origin, risk assessment, intelligence, and post clearance audit. Identification of these and obtaining more detailed information on the actual needs and capacities of staff will be essential for preparing the agendas of upcoming "trainings of trainers" for NCS officials, scheduled to begin this summer.

Analysis

Given slowness of reform, Nigeria's Customs Service remains less efficient than similar services in other economic drivers of Africa, namely South Africa, Kenya and Ghana. On the other hand, there is increased optimism towards potential agreement and passage of the proposed CEMA 2011. Out of 42 areas initially identified within the legislation as points of contention, the Chairman of the Senate Committee on Finance indicated in March 2013 that only 8 areas remained unresolved. This is a tremendous achievement towards passage of the proposed new act. While waiting for the completed legislative analysis on the CEMA 2011 act to be completed by subcontractor Crown Agents, NEXTT will continue to provide opportunities to facilitate dialogue among the stakeholders of the CEMA to identify the remaining issues requiring further negotiations to reach consensus, as well as to develop a methodology for resolving these issues. Along these lines, NEXTT is considering a number of activities, such as organizing a forum to discuss remaining contentious issues, making specific recommendations to the Senate Committee on Finance, and coordinating Ministerial Roundtable meetings involving the Ministers of Finance and Trade, CGC, and the Economic Adviser to the President.

Task 3: Provide Institutional Capacity Building on Standards Infrastructure for Food Agricultural Trade

Overview

NEXTT will support general reform and attempt to fill capacity gaps identified in core standards institutions, particularly the Standards Organization of Nigeria (SON) and the National Agency for Food and Drugs Administration and Control (NAFDAC). The project intends to conduct mapping

of standards and compliance procedures as part of a gap analysis and need assessment in the areas of standards in agricultural production and trade. Based on these, NEXTT intends to conduct trainings and capacity building for relevant institutions, traders and exporters. In addition, the component seeks to upgrade laboratory capacity and strengthen the NFSM committee.

This Quarter, NEXTT focused on two tasks within its work plan: i) To collaborate with the National Food Safety Management (NFSM) Committee to develop a gap analysis of compliance processes for food and agricultural products, and a needs assessment for strengthening gaps, and; ii) Working with the NFSM Committee to identify candidates within testing labs to serve on internal quality teams.

Results

In January 2013, the NEXTT team began the mapping review process, to determine the training and capacity needs within regulatory institutions, as well as identifying existing gaps in food policy, by visiting the Standards Organisation of Nigeria (SON), the National Agency for Food and Drug Administration and Controls (NAFDAC), and the Manufacturers Association of Nigeria, (MAN). The NEXTT team was encouraged by the attention provided to the gap analysis, as well as the high interest in improvements manifested by all organizations.

The analysis revealed that the food safety policy-making process is also handled by multiple government Ministries and agencies with varying levels of responsibilities and little coordination among them. In some cases, the offices function more as competitors than collaborators. In short, there is no shared vision in terms of formulating and implementing globally acceptable food safety standards and policies.

As an example, it seems the President of Nigeria gave the FMITI the mandate to coordinate the National Food Safety Management Committee (NFSMC), while there is another NFSMC within the Ministry of Health (MOH) which is also preparing national food safety policies for Nigeria. In addition, the Ministry of Agriculture manages some elements of food safety, particularly in the area of quarantine services. Following recent meetings with NFSMC, the NEXTT team was successful in brokering an initial agreement for collaboration between the FMITI and the MOH. The Ministry of Agriculture has also been invited to participate in a more unified food safety management process, and further meetings of interested parties will be planned by NEXTT in the coming months.

Analysis

As was anticipated, preliminary review of the standards and food safety policy-making process in Nigeria reveals a substantially fragmented model. Nigeria's MOH is currently in the process of finalizing a draft national food safety policy document with necessary involvement of FMITI, however full cooperation among both entities still remains a challenge. The SON, NAFDAC, and Nigerian Agriculture Quarantine Services (NAQS) are also working independently on food safety policy with substantial overlap of functions. These three government entities, among others, belong to three different Ministries which at the top echelons also compete for predominance with regards to national food safety standards.

The challenge for NEXTT is to continue to support and facilitate dialogue between the many stakeholders, so jointly they are moving towards internationally accepted, multi-stakeholder models in promoting and implementing food safety and standards as part of a wider trade policy process.

As mentioned, the NEXTT team's recent efforts to build consensus and initiate collaboration among different stakeholders within the government towards unified policies (and the process by which policies will be formulated moving forward) is an important step toward Nigeria's ability to conform to global best practices in standards and food safety management.

COMPONENT 3: EXPANDED EXPORT SUPPORT

Overview

NEXTT Component 3 aims to facilitate improvements in the competitiveness of Nigerian export firms and their capacity to meet market requirements through effective production, financing and marketing of goods and services, both domestically and internationally. The goal within the life of the project is provide requisite technical assistance (TA) to over 40 BDS providers who would, in turn, assist at least 120 firms to generate over US\$30 million in new trade. Within the first year of operations, NEXTT is projected to facilitate US\$1 million in new investments and an additional US\$2 million in new exports. In order to ensure the necessary institutional support is made available to export firms, work under Component 3 has continued to explore opportunities to strengthen the capacity of the NEPC (foremost national trade promotion agency) to better link the supply and demand of export services, while also working to establish new (and strengthen existing) value chain alliances/associations. These efforts have also helped, and will continue to do so, identify a pipeline of market opportunities within each of the Value Chains (VCs) which can immediately be capitalized upon. These activities together are expected to ensure export BDS providers embedded within the VCs are able to effectively deliver a value proposition to export firms that is both comprehensive and cost effective.

This quarter, NEXTT continued building relationships with key stakeholders in Nigeria's export development (public and private, international and domestic), supported critical industry alliances (such as the Global Shea Alliance, which held its global conference in Abuja in January), and identified BDS providers who will play a fundamental role in the project's export component. NEXTT also formalized its relationship with the NEPC, and began two critical analyses (a BDS mapping exercise and value chain selection) that will set the stage for the project's export work moving forward.

Results

Mapping of the Export Business Development Services Sector

NEXTT signed the contract with the local subcontractor, Development Associates (DA), to complete a mapping of the scope and strength of business development services (BDS) for the country's exporters this quarter. To kick off this work, DA participated in the Global Shea Alliance Conference, held in Abuja on March 4-6, 2013, and engaged producer associations, processors, and exporters on the perceived need for BDS support and their level of interest to pay for these services. The results of their involvement in the Global Shea Alliance conference contributed to shaping the planning process for the remainder of the BDS survey.

By the end of the quarter, DA had developed a work plan, developed a database of BDS providers to interview, developed an interview schedule, and began to hold interviews. NEXTT export development team members were involved in every step of the way, and also have held their own interviews with BDS providers and exporting companies to validate the information expected in the BDS survey from DA. Interviews will continue into Quarter 3, following which, a report will be issued, a critical first step towards developing an efficient and effective ecosystem of export BDS providers to drive enterprise development in the agribusiness sector, specifically in the agricultural value chains of interest to NEXTT.

Develop a Pipeline of Export Opportunities in 10 Target Value Chains

Having spent Quarter 1 developing relationships with members of NEPC, during Quarter 2, NEXTT finalized an MOU with NEPC, outlining areas of cooperation, along with a proposed framework under which TA from NEXTT will be extended to NEPC in a manner that increases the capacity of this public export promotion body to more effectively implement national export strategies. The MOU was submitted to USAID for approval, and was also delivered to NEPC for signature. NEXTT will consult with USAID during the next quarter on what form a signing ceremony between the two parties should take, officially launching new project support by USAID to Nigeria on its export development strategy.

Also this quarter, NEXTT worked with NEPC towards developing a trade show strategy that will contribute more directly to value chain development and export growth in key sectors. However, in line with its annual planning processes, NEPC had already identified the trade shows it was to prioritize for implementation this year, including the Vietnam International Trade Fair (Vietnam, April 10-13) and the Fancy Foods Trade Show (New York, June 30-July 2). NEPC had already held pre-trade show orientations for each of these two events by the time the MOU had been finalized between NEXTT and NEPC, so NEXTT will work with NEPC to shape training sessions for the trade shows in the second half of 2013.

The first such activity will be the workshop that NEXTT and NEPC co-sponsor in May 2013, to deliver TA to exporters in the Cashew and Shea value chains. NEXTT will build upon the pre-trade show training materials the West Africa Trade Hub has developed to assist members of these value chains participate more effectively in international trade shows.

Market & Develop Demand Based Export Services

Prior to completion of BDS assessment work, the NEXTT team began to review the experiences of the USAID-funded West Africa Trade Hub (WATH) regarding performance-based contracts (PBCs), particularly the engagement and deployment of financial facilitation consultants. WATH has been able to successfully utilize PBCs to incentivize BDS providers to facilitate \$34 million in financing in recent years for export-ready companies as part of its access to finance program. The NEXTT team will learn from WATH's experience to replicate similar PBCs to improve the availability and affordability of export BDSs at every level of the value chain.

NEXTT's sponsorship of the 2013 Global Shea Alliance meeting in Abuja was an important first step for the project to learn more about the shea industry in Nigeria, to identify pressing BDS needs, as well as to identify potential BDS providers that are experts in the field of shea processing and production.

NEXTT also used the conference to set the stage for provision of increased levels of finance to shea exporters. NEXTT designed three events at the conference, together with the Global Shea Alliance (GSA) and West Africa Trade Hub Access to Finance teams, around this subject. The first conference event was a plenary session that 45 participants attended, to discuss the market potential of shea in Nigeria, the potential scale, and related financing opportunities for an audience of private sector players and financial institution representatives. The second two events were breakout workshops—one for artisanal producers, and the second for larger capacity exporters—on the challenges and opportunities for access to finance, also involving representatives of financial institutions interested in getting into SME finance. NEXTT, the GSA and the West African Trade Hub staff and consultants facilitated these sessions, in which 92 people participated, representing shea producers and buyers, government, microfinance and commercial banks. Overall, 137 people (85 women, and 52 men) participated in USG supported trade and investment capacity building training this quarter that was designed and delivered in collaboration with NEXTT. NEXTT co-sponsored the GSA event, in which 58 Nigerian firms and cooperatives involved in the shea butter value chain (and excluding GON institutions) benefitted from capacity building assistance to export.

Develop and Leverage Value Chain Alliances (Global Shea Alliance and African Cashew Alliance)

As mentioned previously, working with GSA, the West African Trade Hub, the National Shea Producers Association of Nigeria (NSPAN) and the Niger State Government, the NEXTT team co-sponsored Global Shea 2013, the annual, international conference of the GSA, which took place in Abuja March 4-6, 2013. Participation at the forum exceeded expectations with well over 500 delegates drawn from 20 countries including the United Kingdom and United States, all working within the shea value chain.

With plenaries on topical issues, including soap making, shea formulation, introduction to entrepreneurship, access to finance, exporting, trade show preparation, leveraging social media to build brand visibility, as well as one-on-one business to business meetings, there were a wide range of activities to engage and address the interest and needs of participants.

This conference was an important “kick off” event for NEXTT's export development component, whereby the project was able to introduce itself as a player in export development of shea to the

financial industry, members of all levels of the shea value chain, and as a potential supporter of BDS services in shea.

Regarding BDS services for the export sector, co-sponsoring this conference also allowed NEXTT make progress on another work plan activity, to support with national chapters of global alliances in shea and cashew integrate BDS providers into their strategies for industry growth. NEXTT has continued conversations with four (4) shea BDS providers since the conference (3 male led, 1 female led) towards this goal. One of these BDS providers is interested in supporting a financing transaction for Ladgroup, another will be interviewed as part of the BDS mapping exercise, and a third, participated in two of the access to finance sessions sponsored by NEXTT at the conference, to increase her understanding of the financing needs of shea producers.

During interviews to complete the gender integration plan, NEXTT came across a dynamic BDS provider in a number of value chains including shea, the leader of which is a participant in international AGOA forums and member of the GSA local planning committee, the African Women's Enterprise Network. Citing financial difficulty, this firm asked if NEXTT could sponsor a table so it could advertise its BDS services in the area of shea, and also provide some of its members an opportunity to promote their shea products. Given NEXTT's interest in incorporating a gender lens to its export development work, NEXTT assisted this firm obtain a table at the conference.



Shea Radiance Proprietors teaching delegates the theory of Cosmetic Formulation at the GSA conference in Abuja.

Export Development Strategy for Priority Value Chain

With a view toward targeting a single value chain for the development of a model export strategy in collaboration with the NEPC, the NEXTT team reviewed the body of literature generated by various development partners and the GON. The GON is pursuing a paradigm shift in its approach to the agricultural sector, adopting a more businesslike perspective and utilizing the transformation energy of the agricultural sector to create jobs, generate wealth, and ensure food security—focusing on areas where Nigeria has a comparative advantage and which offer opportunities specifically to youth and women. While there is agreement in terms of the broad policy direction for promoting value chains and market driven approach, the purpose of the review is to not only achieve consensus in objective (export driven or domestic food security) and methodology but also an alignment of product focus with the GON and its various Ministries, Departments and Agencies. This quarter,

NEXTT developed a methodology for value chain selection, and began to collect the data needed to narrow down the value chain focus from the 10 VCs identified in the project contract, to three, and then from three to one. NEXTT will complete the data collection and analysis of the VC selection process during Quarter 3, and will host a meeting with USAID and the NEPC to discuss and come to agreement on the target value chain to promote in a more concentrated fashion for the next three years.

Analysis

NEXTT co-sponsoring of the 2013 GSA event resulted in a number of important findings. The first is that Nigeria has great potential to become a larger player for sourcing shea nuts from the region. It is behind its neighbors in terms of the ability to produce, process and sell its shea nuts more efficiently, given the relatively undeveloped state of the country's shea sector. Second, is that Nigeria also has great potential to increase the number of large scale shea processing facilities, provided the deals and financing for these shea deals come to fruition. At the moment, there is little industrial scale processing of shea in the country. The value chain remains highly artisanal.

Third, there is a large supply gap in financing available to the sector, particularly for MSMEs. Participants indicated that larger SMEs are typically able to leverage cash flows and assets to access finance from traditional lending banks and financial institutions; however, smaller firms, especially micro and smaller businesses, are usually not able to fulfill requirements to borrow from these traditional institutions and are thus in need of financial products typically offered by impact funds and micro-finance institutions (MFIs). While it is evident the Central Bank of Nigeria is actively developing a framework for micro-finance operations in Nigeria, the presence of MFIs, especially in the area of agribusiness, is limited. For example, in 2008 it was reported that 86 percent of Nigeria's rural area did not have any type of banking institution, a statistic that improved slightly to 76.2 percent in 2012. The report profiles a typical "unbanked Nigerian" as a woman aged 18-34, often with some level of secondary education, living in a rural area in the Northeast or Northwest region of the country, with no or very low income (usually from some type of micro-scale farming. Reasons deduced for this relatively low market penetration of MFIs include high borrowing rates, unavailability of assets to offer as security, weak technical capacity of MFIs to finance agribusiness, and the concentration of MFI in urban locations with limited reach in rural areas, among others.

NEXTT can play a role in changing the situation of the shea sector in Nigeria. First, it can work with small scale producers to expand their market linkages and financing to increase the scale of their exports. Expanding production often requires supply chain strengthening, which is another area where NEXTT can provide technical support. Second, NEXTT can support larger investors, who want to seal deals to ramp up industrial processing in collaboration with large international buyers.

Along these lines, NEXTT has already reached out to Ladgroup, a Lagos-based firm interested in accessing technical assistance and finance to ramp up shea production for sale to Loders, a Scandinavian buyer. NEXTT staff also will reach out to shea companies already exporting to determine their interest in receiving technical assistance for increased export over the next quarter.



Ladgroup Oilseeds Processing Factory, Sagamu Lagos



Cross Section of the Factory Interior

In terms of expanding access to finance, NEXTT is currently in discussion with a number of impact funds and MFIs with a view to develop partnerships that will help address these issues a fill the financing supply gap (as there appears to be sufficient demand). GAWA Capital is one such fund, KFW is another. Operating in partnership with GAWA Capital, Technoserve, and CoopItalia, NEXTT is also exploring the possibility of delivering market access, TA, and access to finance (through designated MFIs) to businesses in targeted VCs.

NEXTT has also entered into discussions with promoters of the proposed West African Agribusiness Fund (WAAD), a non-banking financial institution with shareholdings from Rabobank, IFC, and some global food and agriculture corporations towards improving Agribusiness' (particularly MSMEs) access to finance in Nigeria.

NEXTT is leveraging all it can from the West Africa Trade Hub (WATH) project before its projected closure (currently planned for June 25th), when one WATH contract ends, and another is expected to begin. NEXTT and WATH worked closely to support GSA in the development of its conference in Abuja. NEXTT hosted a collaborative post-event meeting among GSA, WATH, and NEXTT (including CARANA's Manager for Africa) to review lessons learned, discuss "hot" investment leads and opportunities coming out of the conference, and develop a strategy to support the shea value chain collaboratively. WATH is also actively supporting NEXTT's development of capacity in Nigeria in the areas of access to finance and market linkages by providing direct support and mentoring.

NEXTT is applying lessons learned from the West Africa Trade Hub in terms of the critical nature that access to finance plays in export development. Without an exporter having at its disposal the adequate financing needed to meet the terms deals generated through expanded market linkages, a national export development strategy for any value chain will fall flat.

A recent report on Access to Financial Services in Nigeria reveals that financial inclusion across the states along the Corridor varies widely from 31.9% in the Northwest, 58.8% in the Central states, and 66.9% in the Southwest. As can be derived, access to finance for small holder farmers and MSMEs, which is contingent upon financial inclusion, becomes less available the further one moves north along the Corridor. The report also indicates that 51.6% of Nigerian farmers are financially excluded and 85% of women are "unbanked." Given NEXTT's cross-cutting issues in gender and youth engagement, this reality exacerbates the need for leveraging agriculture to create wealth and

inclusive growth especially in VCs like shea and cashew which employ a significant number of women harvesting raw nuts, processing handcrafted butter, and selling these in local and international markets.

The World Bank's Investment Climate Assessment (ICA) identified access to finance to be a major hindrance to MSMEs' development in Nigeria, listing short maturity of loans, inaccessible collateral requirements, high interest rates and cumbersome application procedures as the primary disincentives. With only 7 percent of adult Nigerians accessing loan facilities at present, any strategy adopted by NEXTT to expand market linkages and increase exports in target VCs (especially those represented in the Central states and Northwest states) must identify BDS providers to assist SME firms find new buyers and access finance, and also work closely with financial partners who are willing to extend credit. The Q2 activities under Component 3 have therefore emphasized identifying partners, BDS providers and building synergistic relationships to drive export expansion.

In Quarter 3, NEXTT looks forward to finalizing two critical trade and capacity building diagnostics; i) a value chain selection process, and; ii) the BDS Mapping Exercise. These inputs will set the stage for moving forward with NEPC on trade show selection and participation, as well as creating a dynamic ecosystem of BDS providers that can support the expansion of Nigerian exports.

MONITORING AND EVALUATION

NEXTT's approach to monitoring and evaluation (M&E) includes building the capacity of partner institutions to monitor systemic change and generate feedback on the effectiveness of activities. Partner-led monitoring will be complemented with the measurement of the project's capacity building and TA efforts, including quarterly beneficiary surveys, systemic quarterly review of official sources, and activity-level tracking. Throughout the life of the project, M&E will continue to be an integral part of the project management process, providing critical feedback to managers and component heads as they confront strategic choices on the focus of activities, and translate data into informed decisions on project course corrections or scaling up of interventions.

NEXTT's Performance Management Plan was submitted in January 2013, and USAID suggested an inclusion of two additional indicators for inclusion in March 2013. The PMP is expected to be approved by USAID in April 2013. While NEXTT waits for formal approval of this document, its Director of Monitoring and Evaluation (M&E) has put in place a data collection and management system to ensure that each data point collected for purposes of the PMP is validated, and sources confirmed. The Director of M&E has also embraced the need to disaggregate data by gender, and is attending project-sponsored events to ensure that sign in sheets are appropriately filled out and returned to NEXTT. To assure a full understanding of project activities for purposes of Monitoring and Evaluation, the Director of M&E participated in a number of technical activities this quarter, including data collection for the LAKAJI Agricultural Growth Corridor Assessment, data collection for the baseline assessment on costs and time to travel the LAKAJI Corridor, and the Global Shea Alliance event.

CROSS CUTTING ISSUES

Gender

NEXTT has successfully been able to integrate the element of gender into all operational and technical elements of the project. Achieving appropriate gender balance in project staffing, both administrative and technical support, is an integral consideration in all project procurement, new staff hiring, STTA selection, and training and capacity-building events. Since the project's launch, NEXTT has ensured that gender integration is included within each team member's and each subcontractor's scope of work. For instance, the scope of work for the upcoming Agricultural Growth Corridor Initiative explicitly considers the potential development impact on women as criteria for selection in the investment blueprint. In the BDS mapping assessment, the team will apply a "gender lens" to determine the extent to which female-led BDS providers and female-led export firms are involved in the BDS ecosystem, and how system-wide interventions can be tailored to increase the value of exports from female-led export firms from Nigeria to the rest of the world. NEXTT will continue to integrate gender into technical activities and will disaggregate project indicators, where feasible, to monitor progress.

During Q2, the NEXTT team concluded a Gender Integration Plan, which will be submitted to USAID in Quarter 3. The Plan discusses the critical importance of a gender focus for economic development in Nigeria, a country with the largest population of any African country (estimated at 174.5 million people) and of which 86.9 million are women and girls. Fifty-eight million of the 86.9 million women in Nigeria live in rural areas and provide an estimated 60-79 percent of the rural labor force. In eight northern Nigerian states, over 80 percent of women are unable to read (compared to 54 percent of men). Furthermore, women in Nigeria are disproportionately under-represented in formal employment and compose the majority of informal sector workers. Of the estimated six million young men and women who enter the Nigerian job market each year, only 10 percent are able to secure formal employment, and only one-third of these are women (200,000).

The Gender Integration Plan, upon approval from USAID, will serve as the NEXTT team's guiding document to incorporate aspects of gender into NEXTT's corridor improvement, trade policy and trade facilitation, and export development work. Now that the Gender Integration Plan has been developed and gender integration activities have been identified and prioritized, the NEXTT team members are clear on the specific tasks or strategies to implement, such as ensuring proportionate female involvement in project surveys and trainings, identifying female technical consultants to provide short-term technical assistance, prioritizing hiring female technical staff to work at the CMG Secretariat and including analysis of the impact of trade policies on women.

Youth

There are an estimated 33.6 million youth (ages 15 to 25) living in Nigeria, representing 19.3 percent of the country's total population. This population will continue to grow dramatically in coming years as 76.4 million young Nigerians are aged 14 and under. NEXTT staff and subcontractors are cognizant of the pressures and opportunities which this demographic affords and have integrated a youth lens for upcoming studies, selection processes, and assessments. Such assessments include

the Corridor Assessment, the state selection process, the value chain selection and the BDS assessment. The critical youth-related question to answer in these assessments is not a simple head count of how many 15-24 year olds will be impacted through implementation of these activities; rather the task is to determine how can these activities can be structured in such a way that young people can more easily access economic and social opportunities and share in economic growth. The LAKAJI Corridor Assessment has identified possible technical assistance opportunities to collaborate with the private sector to increase youth involvement in agribusiness. Considering the impact of project activities on youth will continue to be an important guiding strategy for the project moving forward.

Environment

NEXITT has been designed to encourage, promote and facilitate activities that will not have an adverse impact on the macro and micro-environments, but rather positive impacts. NEXITT and its staff attach great importance to the growing need to protect and conserve the environment and consistently uphold environmental conservation measures. This is particularly relevant given the project's focus on agriculture which is subjected to environmental pressures involving soil deprivation, erosion, over-use of pesticides and herbicides, and lack of proper water resource management.

During Quarter 1, NEXITT mobilized an international consultant to complete an Environmental Mitigation and Monitoring Plan (EMMP) for the project. This Plan was approved during Q2, and the project has begun to address specific tasks and strategies to properly mitigate or reduce any environmental impacts that may arise from the proposed activities. The only planned environmental mitigation activity required as part of the EMMP this last quarter was to include a preliminary screening of potential environmental impacts of the proposed agribusinesses and infrastructure investments included in the LAKAJI Agricultural Growth Corridor Assessment, which is currently being finalized.

QUARTER 3 PLANNED ACTIVITIES

April-June 2013

Activity	Date	Contact Person
Component 1: LAKAJI Corridor Improvement		
Submission of Agricultural Growth Corridor Investment Blueprint	May	LAKAJI Corridor Development Manager
Submission of Corridor Transport and Logistics Baseline Assessment on time and costs to trade along the LAKAJI Corridor	May	LAKAJI Corridor Development Manager
Conduct a workshop to validate the Baseline Data with existing and new members of the CMG and interested parties	June	LAKAJI Corridor Development Manager
Conduct a LAKAJI Growth Corridor Partnership Summit to share the Investment Blueprint with potential investors and other stakeholders	June	LAKAJI Corridor Development Manager
Define roles of Agricultural Growth Corridor Initiative key partners and a roadmap for implementation of the initiative	June	LAKAJI Corridor Development Manager
Continue collaboration with the Nigerian National Chapter of the Borderless Alliance	April - June	LAKAJI Corridor Development Manager
Component 2: Trade Policy and Trade Facilitation		
Task 1: Provide Capacity Support to the Federal Ministry of Trade and Investment		
Incorporate USAID comments in the Trade Policy Process Reports and submit to GON for review	April	Trade Policy and Capacity Building Manager
Share Trade Policy Process Report with external parties (pending approval of USAID and GON)	June	Trade Policy and Capacity Building Manager
Conduct a workshop for senior government officials and other relevant stakeholders from the private sector involved in trade policy. Workshop will combine three issues, namely: trade policy process, trade facilitation and trade needs	May	Trade Policy and Capacity Building Manager

Activity	Date	Contact Person
priorities		
Conduct a training for economists and trade analysts on sources and applications of trade data, basic models of trade policy analysis and interpretation of these	June	Trade Policy and Capacity Building Manager.
With FMITI and other relevant parties, continue to discuss the optimal structures of the ENFP and TFTF	April – June	Trade Policy and Capacity Building Manager
Propose the re-design of the Trade Policy Process to the GON, in collaboration with USAID	June	Trade Policy and Capacity Building Manager
Task 2: Support Customs Modernization		
Complete gap analysis for legislation of customs and excise management act (CMA 2011)	April	Customs Advisor, Trade Policy and Capacity Building Manager
Facilitate working groups with members of the Inter Ministerial and Legislature on passage of the CMA 2011	May - June	Customs Advisor, Trade Policy and Capacity Building Manager
Provide technical assistance as needed to NCS in preparation for meetings and design of procedures related to CMA 2011	June	Customs Advisor, Trade Policy and Capacity Building Manager
Complete assessment of Customs Valuation Unit	June	Customs Advisor, Trade Policy and Capacity Building Manager
Complete training capacity needs assessment for customs classification, risks management, valuation, and process automation, among other specific capacity need requests by customs service	May	Customs Advisor, Trade Policy and Capacity Building Manager
Conduct capacity building workshop and training of trainers for NCS official	June	Customs Advisor, Trade Policy and Capacity Building Manager
Task 3: Provide Institutional Capacity Building on Standards infrastructure for Food and Agricultural Products trade		

Activity	Date	Contact Person
Conclude capacity needs assessment (“gap analysis”) for standards and food safety regulatory institutions	May	SFSA, Trade Policy and Capacity Building Manager
Submit recommendations to NFSM Committee on process improvements and streamlining	June	SFSA, Trade Policy and Capacity Building Manager
Hold regular meetings with coordinating ministries and other core relevant ministries for creation of functional NFSMC	April – June	SFSA, Trade Policy and Capacity Building Manager
Conduct two (2) “training of trainers” capacity building sessions for relevant standards and food safety setting institutions and users	June	SFSA, Trade Policy and Capacity Building Manager
Identify potential members of NFSMC	May	SFSA, Trade Policy and Capacity Building Manager
Component 3: Expanded Export Support		
Completion of BDS Mapping Exercise	May	Export Development Specialist/Business Development Specialist
Build Database of BDS Providers	May	Business Development Specialist
Publish BDS Providers on NEXITT Website	June	Business Development Specialist
Develop strategy for BDS provider network	May	Business Development Specialist
Conduct Training of Trainers for BDS Providers	June	Business Development Specialist
Release RFP for BDS providers Network	June	Export Development Specialist/Business Development Specialist
Value Chain Assessment and Selection undertaken	June	Export Development Specialist/Business Development Specialist
Present to USAID and NEPC Value Chain Selection Process	June	Export Development Specialist/Business Development Specialist

Activity	Date	Contact Person
Sign NEPC MOU	May	Export Development Specialist
Hold NEPC Sponsored Workshop with key stakeholders on trade show participation	May	Export Development Specialist